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BLANCHARD, WALKER, O'QUIN & ROBERTS
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May 4, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Mailing Address:
P.O. Drawer 1126
Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

RE: HEARING APPLICATION
Travis Peak Zone
Cotton Valley "D" Sand
Cotton Valley Zone, Reservoir D
Haynesville Zone, Reservoir A
Greenwood - Waskom Field
Caddo Parish, Louisiana
Our File No. 230765.0036

Dear Sir:

On behalf of CHESAPEAKE OPERATING, INC. , application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Travis Peak Zone, Cotton Valley "D" Sand, Cotton Valley Zone, Reservoir D and the Haynesville Zone, Reservoir A, in the Greenwood - Waskom Field, Caddo Parish, Louisiana:

1. To permit the Applicant to drill, designate and utilize its Martin Timber 23 No. 1 Well as a substitute unit well for TP SU79, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Office of Conservation 125-A Series and Order No. 270-1, effective August 1, 1954;
2. To permit the Applicant to drill, designate and utilize its Martin Timber 23 No. 1 Well as a substitute unit well for CV D SUYY, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Office of Conservation Order No. 193-B, effective January 5, 1954, and Order No. 270-1, effective August 1, 1954;
3. To establish rules and regulations and create a single drilling and production unit (to be designated as CV RD SUA) , as shown on the attached plat, for the exploration for and production of gas and condensate from Cotton Valley Formation, Reservoir D, in the Greenwood - Waskom Field, Caddo Parish, Louisiana;
4. To establish rules and regulations and create a single drilling and production unit (to be designated as HA RA SUA), as shown on the attached plat, for the exploration for and production of gas and condensate from Haynesville Formation, Reservoir A, in the Greenwood - Waskom Field, Caddo Parish, Louisiana;
5. To permit the Applicant to drill, designate and utilize its Martin Timber 23 No. 1

Well, at the location shown on the plats attached hereto, as the unit well for CV RD SUA and HA RA SUA and to designate Chesapeake Operating, Inc. as operator of said units;

6. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
7. To provide that future wells drilled to, permitted for or completed in the Cotton Valley Formation, Reservoir D and the Haynesville Formation, Reservoir A, in the Greenwood - Waskom Field, should be located in accordance with Statewide Order No. 29-E;
8. To permit the downhole combination of the Travis Peak Zone, Cotton Valley "D" Sand, Cotton Valley Formation, Reservoir D and the Haynesville Formation, Reservoir A, in the wellbore of any well drilled in the abovesaid units in which the ownership and acreage are identical;
9. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Travis Peak Zone in the Greenwood-Waskom Field, Caddo Parish, Louisiana, was fully defined in Office of Conservation Order No. 125-A, effective August 1, 1947.

The Cotton Valley "D" Sand, Greenwood-Waskom Field, Caddo Parish, Louisiana, was fully defined in Office of Conservation Order No. 193-B, effective January 5, 1954.

The Cotton Valley Zone, Reservoir D, in the Greenwood - Waskom Field, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 8,895 feet and 10,910 feet (electrical log measurements) in the Chesapeake Operating, Inc. -SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

The Haynesville Zone, Reservoir A, in the Greenwood - Waskom Field, is hereby defined as being the stratigraphic equivalent of that gas and condensate bearing interval encountered between the depths of 10,910 feet and 11,487 feet (electrical log measurements) in the Chesapeake Operating, Inc. -SRLT 29 No. 1 Well, located in Section 29, Township 16 North, Range 15 West, Caddo Parish, Louisiana.

In accordance with Rule 8 of the Rules of Procedure, the Office of Conservation has waived the Pre-Application Notice requirements, and accordingly Rule 3 of the Rules of Procedure is not applicable.

Pertinent data concerning the intended application will be made available for inspection at the offices of the undersigned. Any person wishing to inspect such data should call the undersigned at (318) 221-6858 during normal business hours or write the undersigned at the above address in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

Commissioner of Conservation
May 4, 2007
Page 3

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, are being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A Pre-Hearing Conference WILL BE HELD on Wednesday, May 16, 2007, at 10:00 a.m. at the offices of Blanchard, Walker, O'Quin & Roberts, 15th Floor, Chase Tower, 400 Texas Street, Shreveport, Louisiana, to discuss the proposed application.

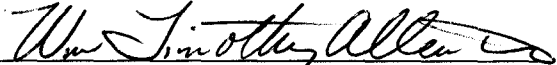
A check in the amount of \$3,020.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: _____



Wm. Timothy Allen III

Attorneys for Chesapeake Operating, Inc.

WTAM:kmw
Enclosures

cc: Mr. James C. Broussard, Shreveport District Manager,
Office of Conservation (w/enclosures)
Interested Owners, Represented Parties
and Interested Parties (w/copy of plats only)

